

City of Detroit

CITY COUNCIL

IRVIN CORLEY, JR.
DIRECTOR
(313) 224-1076

FISCAL ANALYSIS DIVISION
Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 218
Detroit, Michigan 48226
FAX: (313) 224-2783
E-Mail: irvin@cnci.ci.detroit.mi.us

ANNE MARIE LANGAN
DEPUTY DIRECTOR
(313) 224-1078

TO: COUNCIL MEMBERS

FROM: Irvin Corley, Jr., Director *ICJ*

DATE: October 13, 2009

RE: Resolution Requesting Tax Anticipation Notes Sale Transaction Information

Your Honorable Body, I am recommending approval of the resolution authorizing the sale of not to exceed \$94.16 million in Tax Anticipation Notes to help address the City's weakening cash flow position.

Attached is a revised resolution I presented this morning during the Budget, Finance and Audit Standing Committee that request from the director of Finance details of the Tax Anticipation Notes sale since some of the \$94.16 million could be sold in November 2009 and the remaining portion at later date, such as in March 2010, the month Revenue Anticipation Notes (RANs) and TANs are sold.

If your Honorable Body approves the TANs sale this morning during New Business, then I respectfully request your approval of the attached resolution dealing with the TANs sale(s).

**cc: Council Divisions
Auditor General's Office
Norman White, Chief Financial Officer/Group Executive
Donita Crumpler, Manager II-Finance
Pamela Scales, Budget Director
Kamau Marable, Mayor's Office**

Attachment

ICJ:\ICORLEY\Reso on TANs Reporting 2009 and 2010.doc

BY COUNCIL MEMBER _____

Whereas The Detroit City Council has authorized the sale of not to exceed \$94 Million in Tax Anticipation Notes Series C to help address the City's cash flow needs; and

Whereas The director of the Finance Department may choose to only sale a portion of the Tax Anticipation Note authorization in November 2009 the remaining portion at a later date; Now Be It

Resolved That the director of the Finance Department report back to the City Council the results of the November 2009 Tax Anticipation Note sale, including the interest rate/expense the City would pay on the notes, maturity date, a listing of sale transaction underwriters, financial advisors, bond counsel, etc.; and Now Be It Finally

Resolved That the director of the Finance Department report back to the City Council the results of the sale of any remaining portion of the Tax Anticipation Notes Series C authorization conducted at a date later than November 2009, including the interest rate/expense the City would pay on the notes, maturity date, a listing of sale transaction underwriters, financial advisors, bond counsel, etc., and provide the City Council and the City Council's Fiscal Analysis Division an opportunity to review an updated cash flow statement to understand the import of the sale regarding the City's cash flow needs.